

BLD-060

UNITED STATES COURT OF APPEALS
FOR THE THIRD CIRCUIT

Nos. 24-1236 & 24-1237

IN RE: REZA FARZAN,
Appellant 24-1236

REZA FARZAN,
Appellant 24-1237
v.

BAYVIEW LOAN SERVICING LLC; NATIONSTAR MORTGAGE LLC

On Appeal from the United States District Court
for the District of New Jersey
(D.N.J. Civil Action Nos. 3:23-cv-01234, 3:23-cv-02424)
District Judge: Honorable Michael A. Shipp

Submitted for Possible Dismissal Pursuant to 28 U.S.C. § 1915(e)(2)(B) or
Summary Action Pursuant to Third Circuit LAR 27.4 and I.O.P. 10.6

January 8, 2025

Before: SHWARTZ, MATEY, and CHUNG, Circuit Judges

JUDGMENT

This cause came to be considered on the record from the United States District Court for the District of New Jersey and was submitted for possible dismissal pursuant to 28 U.S.C. § 1915(e)(2)(B) and for possible summary action pursuant to Third Circuit LAR 27.4 and I.O.P. 10.6 on January 8, 2025. On consideration whereof, it is now

hereby

ORDERED and ADJUDGED by this Court that the order of the District Court entered January 24, 2024, be and the same hereby is affirmed. All of the above in accordance with the opinion of this Court.

ATTEST:

s/ Patricia S. Dodszuweit
Clerk

Dated: January 15, 2025


Certified as a true copy and issued in lieu
of a formal mandate on February 7, 2025

Teste: Patricia S. Dodszuweit
Clerk, U.S. Court of Appeals for the Third Circuit

By: s/Laurie
Case Manager
267-299-4936
cc: Reza Farzan,
Quenten E. Gilliam, Esq.
Gregg P. Tabakin, Esq.

* This disposition is not an opinion of the full Court and pursuant to I.O.P. 5.7 does not constitute binding precedent.

The District Court had jurisdiction pursuant to 28 U.S.C. § 158(a)(1), and we have jurisdiction pursuant to 28 U.S.C. § 158(d)(1). “We exercise plenary review of an order from a district court sitting as an appellate court in review of a bankruptcy court,” reviewing its “conclusions of law de novo, its factual findings for clear error, and its exercise of discretion for abuse thereof.” In re W.R. Grace & Co., 729 F.3d 311, 319 n.14 (3d Cir. 2013) (quotation marks and citations omitted). We may summarily affirm the District Court’s decision if the appeal fails to present a substantial question. See Murray v. Bledsoe, 650 F.3d 246, 247 (3d Cir. 2011) (per curiam).

3

claims. See Brookshire Equities, LLC v. Montaquiza, 787 A.2d 942, 947 (N.J. Super. Ct. App. Div. 2002) (Under New Jersey law, “for res judicata to apply, there must be (1) a final judgment by a court of competent jurisdiction, (2) identity of issues, (3) identity of parties, and (4) identity of the cause of action.”).

To the extent that there is any difference between the claims or parties between the two actions regarding Farzan’s claims of fraud, these claims are barred by New Jersey’s Entire Controversy Doctrine. Farzan could have made arguments based on the alleged “new evidence” from 2010 through 2012 prior to the entry of the 2019 foreclosure judgment against him. See Rycoline Prods., Inc. v. C & W Unlimited, 109 F.3d 883, 885 (3d Cir. 1997) (explaining that the Entire Controversy Doctrine “requires a party to bring in one action all affirmative claims that [it] might have against another party, including counterclaims and cross-claims . . . or be forever barred from bringing a subsequent action involving the same underlying facts”) (internal quotation marks and citation omitted).

Further, we agree that recusal of the Bankruptcy Judge and District Judge was not warranted.¹ Recusal is required where a judge “has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceeding.” 28 U.S.C. § 455(b)(1). We review the denial of a recusal motion for abuse of discretion. Securacomm Consulting, Inc. v. Securacom Inc., 224 F.3d 273, 278 (3d

¹ Farzan also requested that the District Court stay his proceedings pending the outcome of his appeal to this Court in a civil rights action; the District Court denied his motion. Any request to review that decision would be moot, as his appeal has since concluded. See Farzan v. Cleary, No. 23-1740, 2024 WL 3983333, at *2 (3d Cir. Aug. 29, 2024).

Cir. 2000). Farzan’s request for recusal of the Bankruptcy Judge were based on his disagreement with her decisions in his case and speculation about her motives, which are not a basis for recusal. See Arrowpoint Cap. Corp. v. Arrowpoint Asset Mgmt., LLC, 793 F.3d 313, 330 (3d Cir. 2015) (“[A]dverse rulings . . . are not in themselves proof of prejudice or bias”).

Farzan’s request for recusal of the District Judge was also properly denied. He argued that recusal was necessary because: (1) the District Judge formerly worked for the New Jersey Attorney General’s Office, which Farzan had named as a defendant in a different case; (2) the District Judge’s spouse formerly worked for an accounting firm that Farzan claimed was affiliated with Bank of America, an entity he alleged was connected to this case because it was a mortgage servicer; and (3) Farzan believed that the District Judge held investments with Chase. Upon review of the documentation Farzan provided with his motion, none of these allegations regarding connections to non-parties support a finding of bias that would have necessitated recusal here.² See In re United States, 666 F.2d 690, 694 (1st Cir. 1981) (explaining that “unsupported, irrational, or highly tenuous speculation” is not a basis for a judge’s recusal).

Accordingly, we will summarily affirm the District Court’s judgment.

² Farzan’s motions for reconsideration on the recusal issue were also properly denied, as he did not show an intervening change in the law, new evidence, or the need to correct a clear error of law or prevent manifest injustice. See Max’s Seafood Cafe ex rel. Lou-Ann, Inc. v. Quinteros, 176 F.3d 669, 677 (3d Cir. 1999).